BuildDirect Announces Closing of Tile Outlet of America Acquisition and Provides Preliminary Unaudited Results for First Quarter of 2026

Acquisition strengthens Florida footprint and expands omnichannel platform with expected Adjusted EBITDA accretion and cost synergies.

Vancouver, British Columbia–(Newsfile Corp. – May 12, 2026) – BuildDirect.com Technologies Inc. (TSXV: BILD) (OTCQB: BDCTF) ("BuildDirect" or the "Company"), a leading omnichannel flooring materials retailer, today announced that it has completed the acquisition of substantially all of the operating assets of Tile Outlet of America ("TOA"), a Florida-based specialty tile retailer. The acquisition expands BuildDirect's retail, distribution, and e-commerce presence across the Southeastern United States and represents another step in the Company's strategy of building a scaled North American omnichannel flooring and building products platform.

TOA operates three retail showrooms in Tampa, Sarasota, and Fort Myers along Florida's west coast, serving homeowners, contractors, and design professionals throughout the Southeastern United States. BuildDirect expects the acquisition to strengthen its regional density, improve operating leverage, and enhance customer acquisition opportunities across its Pro, Retailer, and Homeowner programs.

Total estimated net purchase consideration is approximately US$3.7 million, comprised primarily of acquired inventory and fixed assets, net of assumed liabilities and certain post-closing adjustments. The transaction includes a customary 5% holdback, with final purchase consideration remaining subject to customary post-closing working capital adjustments. TOA generated unaudited annual sales of approximately US$19.5 million for the year ended December 31, 2025. The acquisition was structured as a cash-free, debt-free asset purchase and will be funded by the Company using cash on hand.

The acquisition is expected to be accretive to Adjusted EBITDA and strengthen BuildDirect's overall business. In addition, management has identified significant cost synergies to be implemented, including corporate and back-office consolidation, real estate optimization, supply chain efficiencies, and integration into BuildDirect's technology platform. Consistent with the Company's broader operating model, management believes TOA has the potential to progress toward the Company's long-term targeted annualized Adjusted EBITDA operating profile of approximately 10% to 15% as integration activities are completed and synergies are realized.

"Closing the TOA acquisition marks another important step in BuildDirect's long-term growth strategy," said Shawn Wilson, CEO of BuildDirect. "TOA adds a strong regional brand, an experienced operating team, a meaningful expansion into the tile category, and greater market density in Florida, one of the most attractive flooring markets in the United States.

We see a clear path to integration, operational efficiencies, and long-term EBITDA growth as we continue scaling our omnichannel platform.”

Based on management’s assessment, the current housing and renovation environment is creating attractive consolidation opportunities across the fragmented North American flooring market, as many regional operators continue to face macroeconomic pressures and limited scale advantages. BuildDirect intends to leverage its operational infrastructure, sourcing network, digital marketing capabilities, and integration expertise to pursue disciplined, accretive acquisitions that enhance scale, increase market density, and support long-term EBITDA growth.

Preliminary Unaudited First Quarter 2026 Financial Highlights

BuildDirect is also providing the following preliminary unaudited financial information for the three months ended March 31, 2026:

- Total revenue is expected to be in the range of US$14.3 million to US$14.8 million.
- Adjusted EBITDA is expected to be in the range of negative US$0.30 million to negative US$0.37 million.
- Cash and cash equivalents at March 31, 2026 are expected to be approximately US$7.2 million.
- See “Non-IFRS Measures” and “Financial Outlook” below.

First quarter results reflected continued softness across the broader home improvement sector, including elevated interest rates and lower existing-home turnover, partially offset by contributions from acquisitions completed during the prior twelve months. The figures presented above are preliminary, unaudited, and subject to completion of the Company’s quarterly close and review procedures. BuildDirect expects to release complete first quarter 2026 results during the last week of May.

About Tile Outlet of America

Tile Outlet of America is a specialty tile and stone retailer serving homeowners, designers, and contractors in Florida and the broader Southeastern United States. TOA is known for its curated assortment, in-stock inventory, and design-forward customer experience.

About BuildDirect

BuildDirect (TSXV: BILD) (OTCQB: BDCTF) is an expanding omnichannel flooring materials retailer, specializing in Pro Centers, strategic distribution hubs designed to serve professional contractors and trades. The Company is actively scaling its footprint through a combination of organic growth and strategic acquisitions, driving efficiency and market expansion. For more information, visit www.BuildDirect.com.

Non-IFRS Measures

This press release contains certain non-International Financial Reporting Standards ("IFRS") financial measures. These measures are not recognized measures under IFRS accounting standards as issued by the International Accounting Standards Board. These financial measures do not have standardized meanings prescribed under IFRS and our computation may differ from similarly-named computations as reported by other entities and, accordingly, may not be comparable. These financial measures should not be considered as an alternative to, or more meaningful than, measures of financial performance as determined in accordance with IFRS as an indicator of performance. The Company believes these measures may be useful supplemental information to assist investors in assessing our operational performance and our ability to generate cash through operations. The non-IFRS measures also provide investors with insight into our decision making as we use these non-IFRS measures to make financial, strategic and operating decisions. The Company's management also uses non-IFRS financial measures to facilitate operating performance comparisons from period to period and prepare annual budgets and forecasts.

Because non-IFRS measures do not have a standardized meaning and may differ from similarly-named computations as reported by other entities, securities regulations require that non-IFRS measures be clearly defined and qualified, reconciled with their nearest IFRS measure and given no more prominence than the closest IFRS measure.

Non-IFRS measures are not audited. These non-IFRS measures have important limitations as analytical tools and investors are cautioned not to consider them in isolation or place undue reliance on ratios or percentages calculated using these non-IFRS measures.

EBITDA and Adjusted EBITDA

We define EBITDA as net income or loss before interest, income taxes and amortization. Adjusted EBITDA removes fair value adjustments to warrants or inventory and share-based compensation determined by option pricing models. Non-recurring items, such as restructuring costs, bad debt expense, finance fees or government grants are removed. Similarly, foreign exchange gains/losses and gains/losses on disposal of assets are excluded. Please see the Company's Management Discussion & Analysis dated April 8, 2026 for further information on calculating EBITDA and Adjusted EBITDA.

Financial Outlook

The financial outlook and future-oriented financial information (collectively, "FOFI") contained in this press release, including expected Adjusted EBITDA contribution, anticipated cost synergies, expected accretion, and the Company's long-term targeted annualized Adjusted EBITDA operating profile, are provided for the purpose of assisting investors in understanding management's current expectations regarding the anticipated financial impact of the

acquisition and may not be appropriate for other purposes. The actual financial results of the Company may vary from the amounts set out herein and such variation may be material. Management of the Company believes that the financial outlook has been prepared on a reasonable basis, reflecting management's best estimates and judgments as of the date hereof. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, the Company does not undertake any obligation to update such FOFI. FOFI contained in this press release was made as of the date hereof and was provided for the purpose of providing further information about the Company's anticipated future business operations. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

Cautionary Note Regarding Forward-Looking Information

Certain statements in this press release may constitute forward-looking information or forward-looking statements (together, "forward-looking statements") that reflect management's current expectations regarding the Company's future growth, financial performance, business prospects and opportunities. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "forecast", "expect", "estimate", "predict", "intend", "would", "could", "if", "may" and similar expressions.

This press release includes, among others, forward-looking statements regarding the Company's expectations regarding: the Company's financial profile, the results of the acquisition of TOA and the anticipated financial results of the Company. These statements reflect current expectations of management regarding future events and operating performance and speak only as of the date of this press release. In addition, forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

By their nature, forward-looking statements require management to make various assumptions and are subject to inherent risks and uncertainties. There is a significant risk that such predictions, forecasts, conclusions or projections will not prove to be accurate, that management's assumptions may not be accurate and that actual results, performance or achievements may differ significantly from such predictions, forecasts, conclusions or projections expressed or implied by such forward-looking statements. We caution readers not to place undue reliance on the forward-looking statements in this press release as a number of factors, many of which are beyond the Company's control, could cause actual future results, conditions, actions or events to differ materially from the targets, outlooks, expectations, goals, estimates or intentions expressed in the forward-looking statements.

These factors include, but are not limited to: the integration of TOA with the Company; reliance on management and key employees; conflicts of interest in relation to the Company and its subsidiaries' officers, directors, and consultants; the ability to integrate previous acquisitions or future acquisitions; additional financing requirements; reliance on unaudited financial information; risks associated with the Company's strategy of growth through acquisitions; tax risks; reputational risks; currency fluctuations; competitive markets; uncertainty and adverse changes in the economy; cyber security and privacy breaches; and risks associated with internal controls over financial reporting. For a more detailed discussion of certain of these risk factors, see the list of risk factors in the Company's Management Discussion & Analysis dated April 8, 2026 which is available on SEDAR+ at http://www.sedarplus.ca under the Company's profile.

The Company cautions that the foregoing list is not exhaustive of all possible factors, as other factors could adversely affect our results. When relying on our forward-looking statements to make decisions with respect to the Company and its securities, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Unless otherwise indicated, the information in this press release is current as of the date of this press release and the Company does not intend, and disclaims any obligation, to update any forward-looking statements, whether written or oral, or whether as a result of new information or otherwise, except as may be required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information:
Shawn Wilson, CEO
shawnwilson@builddirect.com

BuildDirect Investor Relations
ir@builddirect.com

BuildDirect

To view the source version of this press release, please visit
https://www.newsfilecorp.com/release/297089